This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 MAPUTO 001081

SENSITIVE

FOR OBO/REPM/EV - PIERRE WELCH

E.O. 129958: N/A

TAGS: ABLD AMGT MZ NEC

SUBJECT: MOZ GOVT BOTH SUPPORTS AND OPPOSES NEC SITE

REF: MAPUTO 00293

11. (SBU) Summary. Tourism Minister Sumbana stated publicly that he opposed any effort by the USG to acquire the Four Seasons site for use as an NEC. He confirmed his opposition in private, but conceded that he could be overruled for reasons of bilateral cooperation. At a subsequent meeting with Post representatives, Foreign Minister stated that Sumbana could be managed, but that our prime concern should be ensuring support from the municipal government. He also expressed his eagerness to see this deal concluded before the next government transition.

OPPOSITION TO THE SALE

- \P^2 . (U) On July 15 a local newspaper reported that Four Seasons site had been sold to the SOTUR/IMOBCI consortium. It said that the USG had expressed interest in the site for its new Embassy but that its proposal was rejected by Minister of Tourism Sumbana. He was directly quoted as saying: "I turned down the proposal from the U.S. Embassy because the area, and the building itself, are not appropriate for diplomatic services. The premises was designed solely as a tourist project and it should stay that
- 13. (SBU) At our instruction, U.S. Embassy-contracted attorney spoke with Sumbana privately to confirm his position and rationale. Sumbana stated that, as Minister of Tourism, it was his responsibility to oppose the sale of land to the USG for the reasons stated above. He said he had been assured by the concessionaires throughout the tender process that they were not interested in selling to the USG and would develop the site for tourist purposes. He also expressed concern for the impact a U.S. Embassy would have on traffic flow during and after construction.
- 14. (SBU) Sumbana conceded that if the GRM decided it was in their best interest to permit the USG to build an Embassy on that site, he would be overruled. He further suggested the solution lies through dialogue among the GRM, the SOTUR/IMOBCI consortium and the USG.
- (SBU) Comment: SOTUR/IMOBCI has been playing both sides while legally finalizing its concession, and surprisingly Sumbana appears to have believed their stated intentions not to sell the site to the USG. This could explain why earlier this year SOTUR/IMOBCI would not agree to send a letter to the Minister of Tourism announcing their willingness to sell the property to the USG. It should also be noted that, should the USG acquire this property, it will be necessary to obtain a waiver from the GRM (acting through the Ministry of Tourism) to permit other than tourist development of the site.

MEETING WITH FOREIGN MINISTER

- $\P6.$ (SBU) Ambassador, Management Officer, GSO and attorney met on August 4 with Foreign Minister Simao to discuss Sumbana's remarks and to learn the status of the bundle of rights proposal. Ambassador told Simao that she was continuing to work the U.S. end of this project and expressed the hope that we would be able to close this deal soon. Given the mixed message the GRM was sending, she asked for clarification on the GRM's position vis--vis disposition of the Four Seasons site.
- 17. (SBU) Simao responded that a working group had been set up with all stakeholders, including the Mayor's office, and that our proposal was on the table. He added that he, too, wants to finalize this process soon, and certainly before the Mozambican Presidential elections which are scheduled to take place in December. He agreed that it was Sumbana's job to defend tourism proposals, but, downplaying Sumbana's role, said that Sumbana could be convinced to "put a hotel elsewhere." Simao said that the Municipal Government was the new key player given the Mayor's strict adherence to planning and zoning regulations. He was pleased to hear that the Embassy has kept the Mayor informed of our interest in the site. He also stressed the importance of winning public support for our proposal as fears of restricted beach access could generate public opposition.

- 18. (SBU) Simao said that another working group involving other departments had been formed to study our bundle of rights proposal. When Ambassador asked what next steps should be taken to keep this effort moving forward, he suggested that we wait for the GRM response to the bundle of rights proposal. He indicated that it would be forthcoming.
- 19. (SBU) Comment: Foreign Minister Simao supports this project and wants to see the USG acquire the land. He is concerned that the Embassy build the necessary links with the municipal government since they also will weigh in heavily on this project. The Mayor is well aware of USG interest in the site and has told the Ambassador on at least two occasions that he supports the project. We will continue to seek ways to cement our positive relationship with the Municipal Government. Regarding the bundle of rights agreement, we plan to schedule a working level meeting to confirm that the GRM is actively addressing the issues we require and that a response is indeed forthcoming. La Lime